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BEFORE THE ARIZONA CORPORATION COMMISSION

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2010 JUN 18 P 2: 20

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Arizona Corporation Commission

DOCKETED

JUN 18 2010

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*mm*

IN THE MATTER OF THE APPLICATION  
OF SULPHUR SPRINGS VALLEY  
ELECTRIC COOPERATIVE, INC. FOR A  
HEARING TO DETERMINE THE FAIR  
VALUE OF ITS PROPERTY FOR  
RATEMAKING PURPOSES, TO FIX A  
JUST AND REASONABLE RETURN  
THEREON, TO APPROVE RATES  
DESIGNED TO DEVELOP SUCH RETURN  
AND FOR RELATED APPROVALS.

DOCKET NO. E-01575A-08-0328

IN THE MATTER OF THE APPLICATION  
OF SULPHUR SPRINGS VALLEY  
ELECTRIC COOPERATIVE, INC. FOR AN  
ORDER INSTITUTING A MORATORIUM  
ON NEW CONNECTIONS TO THE V-7  
FEEDER LINE SERVING THE  
WHETSTONE, RAIN VALLEY, ELGIN,  
CANELO, SONOITA, AND PATAGONIA,  
ARIZONA AREAS.

DOCKET NO. E-01575A-09-0453

SULPHUR SPRINGS VALLEY  
ELECTRIC COOPERATIVE,  
INC.'S RESPONSE TO  
INTERVENOR SUSAN SCOTT'S  
REQUEST FOR  
POSTPONEMENT OF  
CONSIDERATION OF  
RECOMMENDED OPINION AND  
ORDER

On May 28, 2010, the Administrative Law Judge issued a Recommended Opinion and Order ("ROO") in the above-captioned consolidated matters relating to Sulphur Springs Valley Electric Cooperative, Inc.'s ("SSVEC" or "Cooperative") 252 Petition that requested the Arizona Corporation Commission ("Commission") to amend Decision No. 71274 to permit SSVEC to commence construction of a new 69 kV subtransmission line ("69 kV line") to the Sonoita, Patagonia, Whetstone, Rain Valley, Elgin, and Canelo areas ("Affected Area"). The cover page to the ROO indicates that the Commission was

1 tentatively scheduled to consider the ROO at its June 29/30, 2010, Open Meeting. Late in  
2 the afternoon on June 17, 2010, counsel for SSVEC received in the mail a copy of a letter  
3 to the Commissioners from Intervenor Susan Scott dated June 15, 2010 ("Letter"),  
4 requesting that the Commission postpone its consideration of the ROO for two weeks.  
5 The letter states that Ms. Scott is leaving on a long-planned trip and will be unable to  
6 attend the Open Meeting or participate by phone. SSVEC opposes this request for further  
7 delay for the reasons set forth below.

8 The ROO relates to approval of a 252 Petition filed by the Cooperative on January  
9 14, 2010. At a Special Open Meeting of the Commission on February 3, 2010, the  
10 Commission passed a Motion to:

11 [G]rant Sulphur Springs Valley Electric Cooperative's *Petition to*  
12 *Amend Decision No. 71274 pursuant to A.R.S. §40-252 and for*  
13 *Related Authorization* for the purposes of further consideration of  
14 whether Decision No. 71274 should be amended and the request for  
15 related authorization should be approved; and, also grant the  
16 Cooperative's request for expedited consideration of the Petition and  
17 direct the Hearing Division to conduct appropriate proceedings and  
prepare a recommended opinion and order for Commission  
consideration on an expedited basis.<sup>1</sup>

18 Per the above Motion, an expedited procedural schedule, hearing, briefing, and  
19 ROO have all since occurred in order to fulfill the Commission's express wishes that it be  
20 able to consider the matter on an expedited basis.<sup>2</sup> Moreover, as supported by the  
21 evidence presented at the hearing and as set forth in SSVEC's Closing Brief, it is critical  
22 that SSVEC be able to complete construction of the 69 kV line and substation prior to the  
23 winter peak of 2011/2012, and delay of consideration of the ROO will further jeopardize

24  
25 <sup>1</sup> ROO at Finding of Fact No. 29 (underlined emphasis added.)

26 <sup>2</sup> Notwithstanding the issuance of the ROO on May 28, 2010, because of the Commission's Open Meeting  
schedule, an entire month will already have elapsed by the time the Commission considers this matter on  
June 29/30, 2010.

1 the Cooperative's ability to meet this important deadline.<sup>3</sup> In fact, Mr. Eugene Shaltz, a  
2 Director at Navigant Consulting, Inc. ("Navigant"), the project manager for the  
3 Independent Third-Party Feasibility Study, and a witness at the hearing, testified that the  
4 situation in the Affected Area "could be construed as an emergency in that there is an  
5 immediate problem that should be taken care of and it should not wait."<sup>4</sup>

6 Ms. Scott's letter acknowledges that she has already submitted her comments on  
7 the ROO in a joint filing with the other Intervenors. Therefore, Ms. Scott has already  
8 provided the Commission with her comments and the other Intervenors can certainly  
9 represent the Intervenors' joint position at the Open Meeting.

10 Additionally, SSVEC has requested that Mr. Shlatz of Navigant, attend the Open  
11 Meeting in person on June 29/30, 2010, for the convenience of the Commissioners in case  
12 they have any questions regarding the Independent Third-Party Feasibility Study, which  
13 the Commission ordered in Decision No. 71274. In order to accommodate SSVEC's  
14 request, Mr. Shlatz had to reschedule a deposition that he was scheduled to attend the  
15 week of June 27th.

16 Finally, SSVEC has received numerous calls from members of the public (both for  
17 and against the 69 kV line) who are interested in attending the Open Meeting and who are  
18 expecting that the ROO will be considered on June 29/30, 2010. Also, following the  
19 issuance of the ROO, on May 29, 2010, an article ran in the *Sierra Vista Herald* that  
20 stated that the Commission was tentatively scheduled to consider the ROO on June 29/30,  
21 2010.

22 The Open Meeting is now only 11 days away. If Ms. Scott's request for a  
23 postponement was granted, the results would: (i) be contrary to the Commission's express  
24 desire that it be able to consider this important matter expeditiously, (ii) further delay of a

25 <sup>3</sup> See, SSVEC Closing Brief at page 43, lines 17-19 citing to Hearing Transcript at page 484, line 24  
through page 485, line 3.

26 <sup>4</sup> See, Transcript of Hearing at page 203, line 25 through page 204, line 2.

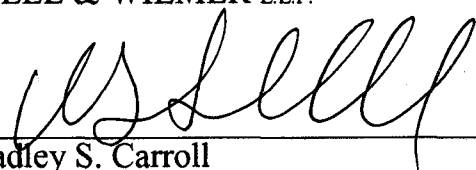
project to provide safe and reliable service to the Affected Area that the ROO itself finds  
"suffers from capacity and reliability problems,"<sup>5</sup> and (iii) cause confusion and  
inconvenience for many of SSVEC's members.

On the basis of the foregoing, SSVEC respectfully requests that Ms. Scott's request  
be denied and the Commission consider the ROO at its June 29/30, 2010, Open Meeting.

RESPECTFULLY SUBMITTED this 18th day of June, 2010.

SNELL & WILMER L.L.P.

By

  
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ORIGINAL and 14 copies filed this  
18th day of June, 2010, with:

Docket Control  
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COPIES of the foregoing hand-delivered  
this 18th day of June, 2010, to:

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Gary Pierce, Commissioner  
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<sup>5</sup> ROO at Finding of Fact 105.

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20 COPY the foregoing sent via First Class  
21 U.S. Mail this 18th day of June, 2010, to

22 Jane L. Rodda, Administrative Law Judge  
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